INSTRUCTIONS FOR TESTING
ASC X12N 835 REMITTANCE ADVICE AND
ASC X12N 277U CLAIMS STATUS TRANSACTIONS
WITH MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

Currently, MDCH accepts electronic claims for institutional, dental and professional services rendered to Medicaid clients using both proprietary (EMC v5) and ASC X12N 837 formatted electronic transactions (in both v3051 and v4010 versions). In response to those claims, MDCH currently creates a proprietary electronic remittance advice (1232) file, detailing claims payments and rejections.

In the near future, MDCH will no longer accept electronic claims in the EMC v5, 837 v3051 or 837 v4010 formats and will no longer provide the proprietary electronic remittance advice file to our providers or clearing houses. At that time, all electronic claims must be submitted in the 837 v4010A1 format.

MDCH will soon stop producing the proprietary 1232 electronic remittance advice file, in favor of the 835 v4010A1 remittance advice and the 277U unsolicited claims status for pends. The 835 transaction details claims processing and payment information on claims that been approved or denied; the 277U transaction reports claims that have been pended for further review.

One 835 and/or a 277U transaction will be prepared for each payment advice, warrant or EFT issued by MDCH. The 835 and 277U transactions will be sent in separate EDI interchanges and contain one functional group for all transactions being transmitted. Within the functional group separate transactions will be transmitted for each 835 or 277U being generated.

The destination location (mailbox) for the 835 and/or 277U transaction is based on each provider whose claims are processed. Each provider ID should be associated with a single Tax Identification Number (TIN). MDCH generally issues one payment per TIN per pay cycle; one 835 and/or 277U is created per payment. MDCH maintains a table relating each TIN to a single Unique Receiving Service Bureau (URSB) for 835 and 277U purposes. That URSB will determine the mailbox to be used for delivery of 835 and 277U transactions for payments made to each Tax ID. We have pre-populated that table for those providers who are associated with a single service bureau. We have not pre-populated that table for providers whose claims may be submitted by multiple service bureaus. Interested providers may wish to work with MDCH Provider Support (ProviderSupport@Michigan.gov or (800) 292-2550) to ensure that they have been associated with a the proper mailbox/service bureau ID for 835 and 277U purposes.

To prepare for this transition, MDCH is supporting Business-to-Business (B2B) testing of these 277U and 835 transaction files with its electronic billers and clearinghouses.

MDCH strongly encourages all providers to submit Medicaid claims electronically, in the X12N 837 v4010A1 format, either:

- Via an electronic service bureau or clearing house, or

- As an approved electronic biller.

This will result in faster, more efficient claims processing and faster claims payment. In order to directly communicate electronically with MDCH, providers must first obtain an Identification Number and password from the MDCH Automated Billing Unit. For general instructions on how to obtain that Identification Number and password, please refer to the MDCH Electronic Submission Manual, which can be found on the web at www.michigan.gov/mdch/ >> Providers >> HIPAA >> HIPAA Implementation Materials.

That page also contains several other useful links, including:

- MDCH Electronic Submissions Manual – An essential starting point for providers, plans and clearing houses who wish to submit electronic Medicaid claims to MDCH.

- B2B Test Instructions – An overview of all B2B testing available with MDCH

- HIPAA Frequently Asked Questions (FAQ) – This page outlines several categories of frequently asked questions

- Data Clarification Documents – This link directs you to documents that provide essential details regarding MDCH data requirements for individual transaction sets, including the 837I, 837D, 837P, 277U and the 835. These documents are companion documents to the HIPAA implementation guides, which may be found at www.wpc-edi.com.

MDCH will support B2B testing of the 277U and the 835 transaction through three testing approaches:

Option 1 – Sample Data Testing MDCH provides sample sets of 835 and 277U transactions on its web site, for use by its providers and clearing houses for review and analysis. Three sets of sample data are available, for the Professional, Institutional, and Dental claims. In each case, providers may download a sample set of 277U claims status and 835 remittance advice transactions. We have de-identified these transactions, so they do not contain any protected health information (PHI). Providers are welcome to download these files to test their ability to translate and process the 277U and 835 transactions created by MDCH. We have also provided a brief narrative document for each sample set of transactions, which explains the claims processing events that caused claims to be pended, rejected or paid.

Option 2 – Batch-Oriented Business-to-Business (B2B) Testing This is the process of requesting test 835 (and 277U) transactions from MDCH, based on submission of test 837 claims. At MDCH, we are happy to produce test 835s and 277Us from approved submitters of 837 v4010A1 claims, in response to the submission of test 837 4010A1 transactions accompanied by appropriate Email notification.

Option 3 – Concurrent Business-to-Business (B2B) Testing We also create test 835s and 277Us based on actual weekly production claims processing activity. These 835s will be automatically created each pay cycle for those providers who have an appropriate URSB designated for receipt of 835 transactions.

We encourage our providers to perform B2B testing under any or all options outlined above, but we do not require successful completion of this B2B Testing to sign up to receive 835 or 277U transactions from MDCH. The following paragraphs provide more detailed instructions regarding each of these three options for B2B testing of the 835 and 277U transactions.

OPTION 1 – SAMPLE DATA TESTING

The sample data is available at www.michigan.gov/mdch/ >> Providers >> HIPAA >> HIPAA Implementation Materials >> Testing and Certification. Within that page, you may elect to download groups of sample transactions related to the 837 Professional, 837 Institutional, or 837 Dental Claim. In each case, we have three files available for you to download:

- 835 Sample Data – Contains a single 835 transaction, detailing the payment made in response to our processing of the sample 837 claims, including payments and rejections

- 277U Sample Data – Contains a single 277U transaction, detailing claims that were pended in response to our processing of the a batch of test 837 claims

- Test Narrative – A brief summary of the test claims and processing results, noting why some of the test claims were paid, why some were rejected, and why others were pended.

You are welcome to download and process these test 835 and 277U transactions through your translator for testing purposes. Because these files are generic test files, with de-identified providers and participant IDs, you may need to alter the transactions if you wish to avoid immediate rejections within your system.

OPTION 2 – BATCH-ORIENTED BUSINESS-TO-BUSINESS (B2B) TESTING

This is the process of requesting test 835 (and 277U) transactions from MDCH, based on submission of a batch of test 837 claims. In order to participate in this batch-oriented Business-to-Business Testing of the 837 and 277U transactions, providers and clearing houses must first complete B2B testing with MDCH for the 837 v4010A1 transaction. Current or prospective electronic billers who have not yet completed B2B

testing for the 837 v4010A1 transaction are encouraged to do so, as quickly as possible.

Once electronic billers have completed B2B testing of the 837 claims transaction with MDCH, they may immediately begin submitting test claims to MDCH for the purpose of receiving test 835 and 277U transactions from MDCH in return. Electronic billers are urged to submit a representative sample of up to 100 individual claims. Please send files referencing active Medicaid recipients; do not enter "fake" Medicaid numbers (or you will not receive a remittance advice). **Test claims will obviously not be paid.**

After the claims file has been received, MDCH will attempt to translate the file and post a 997 Functional Acknowledgement transaction to the submitter's mailbox. Submitters should check their mailbox for this acknowledgement. If the file is acceptable, the test claims will be loaded into our test claims processing system, which will produce edit reports for our analysis. As we process these test claims through our test claims processing system we will post a test 835 file and/or a 277U file to the appropriate mailbox(es) on our Data Exchange Gateway. You should be able to retrieve those 835 and 277U files from our DEG within two or three days after submitting your test 837 claims.

Follow the following steps to perform Batch-Oriented Business-to-Business Testing of the 835 and 277U:

1. Create a test file of 837 claims, using your billing system and EDI software or clearing house. That file should reference actual, valid subscriber identifiers, as outlined in the Data Clarification Document. That file must include an Interchange Envelope, containing various ISA elements as specified in the Data Clarification Document and/or Implementation Guide. For the test claims, you must specify a **T** in the ISA15 segment of the Interchange Envelope. We encourage you to specify a unique identifier in your ISA13 (and IEA02) segments for each interchange, to make it easier for us to track and differentiate each batch of test claims. The Interchange Envelope may contain one or more Functional Groups. The value to be specified in the GS08 segment depends on the type of test claim submitted: **004010X096A1** for test Institutional claims; **004010X097A1** for test Dental claims, and **004010X098A1** for test Professional claims. For each test file that you create, store the file on your PC or on a shared network location that is easily accessible (e.g., on a mapped drive).

2. To submit the 837 test file, log onto our DEG (Data Exchange Gateway), using the connection information supplied by MDCH, then enter the following information:

    > PUT *{your drive\directory\filename}* space 4780T@DCHEDI. The drive, directory and filename combination should be the full path to the location on your PC (or network) where the file to be tested is located on your computer. The following example illustrates this command:

    > PUT C:\CATALOG\testfile.txt 4780T@DCHEDI

    > After you have issued the PUT command and the file has been transferred, it should be immediately translated. As noted in the Electronic Submission Manual, you can enter a DIR command, with the name of the file sent, to see the 997 Functional Acknowledgement. You can download that 997 Functional Acknowledgement by entering a GET command; be careful to change the file name for the destination system so the file you sent is not written over.

3. You must then send an Email, including a contact name and telephone number in your organization, to the following contacts to inform MDCH that a test file has been submitted:

    <Tammie Savage> SavageT@Michigan.gov;

    <Felix Carter> CarterF1@Michigan.gov;

    <Daryl Katalenich> KatalenichD@Michigan.gov;

    <Jim Kunz> KunzJ@Michigan.gov

    Please use a subject line of "835 Request for DCH00??", where DCH00?? is your MCDH-assigned provider ID. **This is critical! If this is not included, we will not create an 835 or a 277U for your review.** If, for any reason, you do not want the 835 transactions returned to the same DCH00?? mailbox used to submit the 837 claims, you must indicate this in the body of your Email

notice and indicate the mailbox where you want the 835 transactions (and any 277U transactions) to be posted.

4. Within a few days you should be able to log onto the DEG and retrieve the 835 and/or 277U file for your review. Those files will be created with a filename of 4987T for the 835 and 4986T for the 277U. Note that if none of your test claims would have been paid or denied, you will not receive an 835 file. Similarly, if all of your test claims would have been paid or denied, and none of them would have pended, you will not receive a 277U file.

5. Should you have any questions regarding the content of those 835 and 277U files, please send an Email to KunzJ@Michigan.gov, stating the nature of your question, and we will respond as quickly as possible.

OPTION 3 – CONCURRENT BUSINESS-TO-BUSINESS (B2B) TESTING

Michigan Medicaid also creates test 835s and 277Us based on actual weekly production claims processing activity.

Providers that wish to receive a concurrent or production 835 electronic RA must choose one Unique Receiving Service Bureau (URSB) per tax identification number (TIN). That URSB should be identified to Medicaid by its service bureau ID number. URSB information can be confirmed by calling Karen Parker, manager of the Provider Support unit, at (517) 335-5455 or via email at ParkerK@Michigan.gov.

The 835 and 277U transactions will be automatically created each pay cycle for those providers associated with a TIN that has been registered to receive the 835 transactions. The transactions will be identified as test "T" in ISA15 until such time that MDCH has determined that the files can be identified as production files. The transactions will be made available on the DEG in the identified URSB mailbox, with the filename of 4987T for the 835 and 4986T for the 277U.

TROUBLESHOOTING

When you review the 835 and 277U transaction returned to you under either Option 2 or Option 3, you will want to ensure that all the providers included in your test batch or weekly pay cycle are included in the transactions returned to you. If you find that a provider is not included in your 835 or 277U, the problem may be from one of two sources: (a) the Tax ID associated with that provider has not been associated with a single service bureau (DCH billing agent ID or mailbox) that is to receive 835s and 277Us, or (b) the service bureau associated with a that provider's tax ID is not set up to receive 835 transactions. If the problem stems from issue (a), you should contact MDCH Provider Support at ProviderSupport@Michigan.gov or at (800) 292-2550 to review the status of that provider. If the problem stems from the service bureau not being designated as willing to receive 835s and 277U transactions, the service bureau may contact AutomatedBilling@Michigan.gov to modify its status.